

# EXHIBIT I

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# Denver oil tycoon Jack Grynberg not entitled to \$400 million in back pay in family feud, judge rules

Self-made billionaire “made a mistake”  
believing family wouldn’t turn on him

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Denver oil tycoon Jack Grynberg won’t get a penny for the years he spent building a billion-dollar empire for his family after they fired him following a protracted court battle, a judge has ruled.



Photo provided by Jack Grynberg

Jack Grynberg lost his court fight against his family over who controls his vast empire.

That's not to say the octogenarian won't reap some of the benefits for having created several companies that he ran but ultimately signed over to his then-wife and three kids — all of whom wanted Grynberg tossed because of concerns that his business decisions weren't in their best interests.

Arapahoe County District Judge Charles Pratt this week ruled that the three companies he created — Gadeco, Pricaspian and RSM, which manage his vast oil holdings — were put into his family's name and not his own as a way to protect his vast wealth from creditors, estate taxes and even kidnapping and extortion attempts.

That Grynberg took only a minimal salary through the years was his choice. Grynberg's lawyers say he'll keep fighting.

“This three-year-long case has been about Jack Grynberg’s family trying to seize all the money that Mr. Grynberg alone accumulated for the Grynberg Family,” his attorney, Gregory Tamkin, said in an emailed statement to The Denver Post. “As things currently stand, Mr. Grynberg’s children, without having made any contributions to the companies, now have received approximately \$1 billion that Mr. Grynberg earned. By contrast, Mr. Grynberg kept less than \$5 million for his work over the last 25 years. That is unjust and a basis for an appeal. Mr. Grynberg will continue to fight for what he earned.”

Lawyers for Grynberg’s ex-wife, Celeste, 83, and the couple’s three children, Rachel, 58, Stephen, 56, and Miriam, 54, said the decision “confirms that they were fully within their rights when they acted to assert control over the family’s oil and gas companies,” according to a statement from attorney Glen Summers.

“They did so to protect the companies and Jack Grynberg’s legacy,” Summers wrote. “The family is relieved to have this unfortunate and painful litigation behind them.”

The bulk of the case hinged on the family’s assertion that Grynberg, 87, wasn’t the Jack of old, the man who had frequently taken on the likes of BP, Conoco, Shell and a handful of other petroleum conglomerates and foreign governments around the globe with accusations of cheating and wrongdoing. It was through that prolific use of the courts that Grynberg, a brilliant graduate of the Colorado School of Mines and survivor of the Holocaust, pocketed a fortune and built an empire.

Grynberg said he put his family’s name on the companies with the proviso and belief he would maintain control of the businesses throughout his lifetime. An Arapahoe County jury disagreed with that in February and said the family owned the companies and could fire Grynberg, which they did.

Grynberg then said he wouldn’t have set things up that way if he had known he could be fired, so he asked Pratt to award him what he felt he was owed: about \$400 million in back salary.

The family, for their part, never knew they could toss the aging oilman until about 2016.

“Prior to that time, Jack Grynberg had substantially unfettered control over the operations of the family business,” Pratt wrote in his ruling. “If one of the family members wanted to become involved or disagreed with one of (his) decisions or wanted something ... he frequently would push back, refuse the request and tell the family member to ‘go away and leave me alone.’”

Because the family was “satisfied with the significant wealth being created,” they left Grynberg alone. That changed as his decisions became more alarming to them, records show, and putting significant amounts of their wealth at risk.

The scope of Grynberg’s wealth is buried in court files that are largely sealed from the public. At one point during earlier testimony, it was revealed that earnings within just one of the companies is as much as \$120 million a year, mostly in royalty payments that come from oil fields that stretch through countries as far off as Kazakhstan.

“In 1993 (when the companies were formed) Jack Grynberg was a brilliant businessman, entrepreneur, accomplished oil and gas geologist and engineer, and was very astute and calculating in all his business decisions,” Pratt wrote.

In other words: Grynberg knew exactly what he was doing when he gave ownership to his family.

“If he made a mistake, it was in believing and trusting that the family members would not take his control of the family business away before he was ready,” Pratt wrote.

The battle has cost him his marriage – the couple divorced last year – and strained even further the already tenuous relationship he had with his children. Paperwork showed he was bitterly disappointed that his family would “scheme” to wrestle from him control of the companies he created with them in mind.

But not all is lost for Grynberg.

His divorce settlement left him with half of Celeste’s 25 percent ownership interest in Pricaspian.

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